



COMMITTEE of the WHOLE

CITY COUNCIL

MINUTES
June 9, 2008
5:00 P.M.
Council Office

COUNCIL MEMBERS PRESENT:

V. Spencer, S. Marmarou, M. Goodman-Hinnershitz, D. Sterner, M. Baez, J. Waltman

OTHERS IN ATTENDANCE:

L. Kelleher, S. Katzenmoyer, C. Younger, R. Hottenstein, C. Jones, T. McMahon

Vaughn Spencer, President of Council, called the Committee of the Whole meeting to order at 5:10 p.m.

I. Executive Session

Council entered into executive session to discuss legal and personnel issues at 5:12 pm. Executive session ended at 5:35 pm.

II. Award of Contract – Project and Construction Manager for Waste Water Treatment Plant project

Mr. Spencer questioned if the financial planning services increased the contract price. Mr. Jones noted that it did. Mr. Hottenstein noted that the RFP process includes much negotiation.

Mr. Fuhs questioned if other firms included the price of the financial planning in their original RFP documents. Mr. Hottenstein noted that they had but that clarification was necessary.

Mr. Spencer noted that if the financial planning services were included in the RFP request why firms were allowed to change their original information. Mr. Hottenstein noted that it was for clarification purposes. Mr. Spencer noted that this appears to be a flaw in the process.

Mr. Fuhs questioned if the RFP requests specific skill sets to obtain the necessary financing. Mr. Hottenstein noted that it did. He also noted the need to investigate grant financing and to perform a rate study. Mr. Fuhs stated that if some firms submitted the financial information correctly, why others did not. Mr. Hottenstein again noted the negotiations which occur during the RFP process. He noted that all qualified firms were asked the same questions during their interview with the RFP committee.

Mr. Spencer questioned whether the selection process was based on service provided or on cost. Mr. Hottenstein noted that they are both considered by the committee. Mr. Spencer questioned who was on the committee. Mr. Hottenstein noted that the purchasing manager, himself, Mr. Jones, Ms. Hoag, and a representative from State College and the City of Philadelphia comprised the committee. Mr. Hottenstein noted that all information passes through the committee to the purchasing manager.

Mr. Spencer questioned what financial services were needed. Mr. Hottenstein noted that the amounts obtained from each entity need to be investigated as well as the amount the City will be responsible for. Also needed is a rate study to pass a portion of the costs on to the users.

Ms. Goodman-Hinnershitz questioned if bidders submitted 100% of the information needed. Mr. Hottenstein and Mr. Jones noted that all RFPs needed clarification. Ms. Goodman-Hinnershitz questioned if that was unusual. Mr. Jones noted that the cost is only one aspect of the evaluation. He noted that the appropriate experience carries more weight in certain projects. He noted that prices are opened after all technical issues are evaluated.

Mr. Fuhs questioned the role of the project manager and the construction manager. Mr. Jones noted that the project manager would be the point of contact throughout the process. The function of the project manager would diminish as the construction phase began and the construction manager became the point of contact. He noted that they would both be employing value engineering and looking out for the best interest of the City. They would also keep the project on schedule.

Mr. Fuhs noted his belief that the two roles would be filled by two firms. He questioned when it was decided to consolidate them. Mr. Jones noted that he introduced the concept of one firm at the latest Public Works Committee meeting.

Mr. Sterner questioned the advantages of having one firm perform both roles. Mr. Jones noted this would give the City the best results. He also noted that there could be no finger-pointing between firms for accountability and responsibility. It would give the City one contact.

Ms. Goodman-Hinnershitz requested a worksheet and timeline. Mr. Jones noted that one would be presented.

Mr. Fuhs questioned if Hill International had a relationship with Black & Veatch. A representative from Hill International noted that they were involved in projects together in the past but have no other relationships.

Mr. Waltman noted the importance of having early estimates of end costs. He noted Council's need to know when to approach State and Federal officials for funding.

Ms. Goodman-Hinnershitz questioned if this contract award was on this evening's agenda. Mr. Spencer noted that it was not but the agenda could be amended to include it. Council decided to add this to the agenda for the June 23, 2008 meeting.

III. Agenda Review

The ordinance allowing the Parking Authority to use its own towing contract is the only legislation on this evening's agenda.

IV. Master Development Agreement

Ed Giannasca presented phase 2 of the RiverView plan. The agreement would be between Giannasca Developers, the City of Reading, the Redevelopment Authority and the Parking Authority. The agreement needs Council approval. Mr. Giannasca noted that the agreement names Giannasca as the developer and will allow them to begin obtaining private financing. He noted his hope that Council will approve the agreement at this evening's meeting.

Mr. Giannasca noted that the entire project lies within a flood zone. He also noted their hope to incorporate the original canal system into the project. He noted that barges would be used in place of gondolas. He compared this project to the riverfront at San Antonio, TX.

Mr. Fuhs and Ms. Goodman-Hinnershitz noted their feeling that Council is being rushed to approve the agreement. They noted the need for a legal opinion before action is taken.

Mr. Fuhs questioned if financing for this project was included in the financial projections presented at the budget summit. Mr. Hottenstein noted that they were not.

Mr. Spencer questioned if Mr. Giannasca would be willing to meet to discuss this further. Mr. Giannasca noted that he would be willing to meet with Council.

Mr. Spencer questioned if the Redevelopment Authority or Parking Authority had approved the agreement. Mr. Hottenstein noted that they had not.

The meeting was adjourned at 7:10 pm.

Respectfully Submitted

By: _____
Linda A. Kelleher, City Clerk